

State of Wisconsin DIVISION OF HEARINGS AND APPEALS

In the Matter of Braun Northwest, Inc.

Case No: DOT-18-0027

FINAL DECISION

By letter dated September 12, 2018, Tami McCallum, on behalf of Braun Northwest, Inc., (Braun), requested a hearing before the Division of Hearings and Appeals pursuant to Wis. Stat. § 218.0121(3m)(c) seeking a determination that there is no prospective independent dealer available to own and operate a dealership for Braun in a manner consistent with the public interest and that meets the reasonable standards and uniformly applied qualifications of Braun.

In accordance with Wis. Stat. §§ 227.47 and 227.53(1)(c), the PARTIES to this proceeding are certified as follows:

Braun Northwest, Inc., by

John Braun, President Braun Northwest, Inc. 150 North Star Drive P.O. Box 1204 Chehalis, WA 98532

MAR 0 4 2019

Division of Hearings and Appeals - Madison

Wisconsin Department of Transportation (Department)

No appearance

Wisconsin Automobile and Truck Dealers Association

No appearance

The Administrative Law Judge issued a Proposed Decision in this matter on February 6, 2019. No objections to the Proposed Decision were received. The Proposed Decision is adopted as the final decision in this matter.

Findings of Fact

The Administrator finds:

- 1. Braun Northwest, Inc. (Braun) is a licensed motor vehicle manufacturer located in Chehalis, Washington. Braun manufactures ambulances and specialized emergency vehicles.
- 2. Braun is considered a second stage or final stage manufacturer. It purchases an incomplete vehicle from a motor vehicle dealer for a brand such as Ford or Dodge. The incomplete

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vehicle purchased is typically a cab/chassis or a van cutaway. Braun then constructs a module to mount on the incomplete vehicle to manufacture a specialized vehicle.

- 3. Braun engages in direct sales. Customers are typically municipal agencies, fleets, and private ambulance services. Vehicles are manufactured to specifications. Braun estimates that after five years, it will sell four to five vehicles per year in Wisconsin and after 10 to 15 years it will sell ten to twelve vehicles in Wisconsin. The sales cycle for the vehicles is approximately 12 months from initial contact to a signed contract. After the contract is signed, the manufacturing process takes six to nine months.
- Considering the investment that would be required to operate a dealership selling the vehicles manufactured by Braun, the lengthy sales process to sell the vehicles, and the low number of available sales, there is no evidence that any prospective independent dealers in Wisconsin are available to own and operate a dealership selling the vehicles manufactured by Braun in a manner consistent with the public interest and that meets Braun's standards and qualifications.

Conclusions of Law

The Administrator concludes:

- 1. Braun Northwest, Inc. has satisfied its burden of showing that no prospective independent dealers are available in Wisconsin to own and operate a dealership for the sale and service of the vehicles manufactured by Braun in a manner consistent with the public interest and that meets Braun's standards and qualifications.
- The Division of Hearing and Appeals has authority pursuant to Wis. Stat. § 218.0121(3m)(c) to 2. issue the following order.

Order

The Administrator orders:

Based on the evidence in the record, no prospective independent dealers are available to own and operate a dealership for the sale and service of vehicles manufactured by Braun Northwest, Inc., in Wisconsin. Braun Northwest, Inc., should be allowed to own and operate a dealership in Wisconsin selling and servicing the products it manufactures.

Dated at Madison, Wisconsin on February 22, 2019.

By:

STATE OF WISCONSIN **DIVISION OF HEARINGS AND APPEALS** 4822 Madison Yards Way, Fifth Floor Madison, Wisconsin 53705

Telephone: (608) 266-7709 (608) 264-98/85 FAX:

Brian Haves Administrator Case No: DOT-18-0027

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NOTICE

Set out below is a list of alternative methods available to persons who may wish to obtain review of the attached decision of the Division. This notice is provided to insure compliance with Wis. Stat. § 227.48 and sets out the rights of any party to this proceeding to petition for rehearing and administrative or judicial review of an adverse decision.

- 1. Any person aggrieved by the attached order may within twenty (20) days after service of such order or decision file with the Division of Hearings and Appeals a written petition for rehearing pursuant to Wis. Stat. § 227.49. Rehearing may only be granted for those reasons set out in Wis. Stat. § 227.49(3). A petition under this section is not a prerequisite for judicial review under Wis. Stat. §§ 227.52 and 227.53.
- 2. Any person aggrieved by the attached decision which adversely affects the substantial interests of such person by action or inaction, affirmative or negative in form is entitled to judicial review by filing a petition therefore in accordance with the provisions of Wis. Stat. §§ 227.52 and 227.53. Said petition must be served and filed within thirty (30) days after service of the agency decision sought to be reviewed. If a rehearing is requested as noted in paragraph (1) above, any party seeking judicial review shall serve and file a petition for review within thirty (30) days after service of the order disposing of the rehearing application or within thirty (30) days after final disposition by operation of law. Any petition for judicial review shall name the Division of Hearings and Appeals as the respondent. The Division of Hearings and Appeals shall be served with a copy of the petition either personally or by certified mail. The address for service is:

DIVISION OF HEARINGS AND APPEALS 4822 Madison Yards Way, Fifth Floor Madison, Wisconsin 53705-5400

Persons desiring to file for judicial review are advised to closely examine all provisions of Wis. Stat. § 227.52 and 227.53 to insure strict compliance with all its requirements.